



## *Supporting Our Troops*

# **The National Defense Authorization Act for FY 2006 – Conference Report**

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*The Conference Report contains many provisions to support our troops and their families.*

**Pay Raise.** Provides 3.1 percent pay raise.

**Hardship Duty Pay.** Increases maximum monthly rate from \$300 to \$750.

**Assignment Incentive Pay.** Increases the maximum monthly rate from \$1,500 to \$3,000.

**Servicemembers' Group Life Insurance (SGLI).** Requires the Secretary of Defense to pay the premium for a minimum coverage of \$150,000 while members who participate in the SGLI program are assigned to the OIF/OEF theater. Also authorizes the Secretary to pay for a larger amount of coverage.

**Basic Allowance for Housing (BAH) at Stressed Installations.** Authorizes the Secretary of Defense to increase BAH rates on an interim basis to compensate for inflation of housing costs caused by natural disaster or increases in troop levels. Also provides the authority to extend temporary lodging expense (up to \$180 per day) from 10 days to 20 days.

**Pay and benefits to facilitate voluntary separation.** Authorizes the Secretary of Defense to provide voluntary separation pay and benefits to members if the member (1) has served more than six years but not more than 20 years, (2) has served a least five continuous years immediately prior to separation, (3) has not received a voluntary separation incentive under another section of law, (4) meets such skill, grade, years of service, or other criteria prescribed by the Secretary concerned, and (5) requests separation. No member may receive separation pay in an amount more than two times the amount that would be paid to a member in the same grade and years of service who is involuntarily separated. The separation pay may be paid in a lump sum or, in the case of a service member with 15 or more years of service, installments over a 10-year period or combination of installments and lump sum. The authority for voluntary separation pay authorized in the section would expire on December 31, 2008, **however, the section goes on to specify that the authority for separation pay and benefits is further limited to officers with less than 12 years of service during the initial authorization period.**

**Active Duty Recruiting and Retention Initiatives.**

- **Enlistment bonus** – Increases maximum from \$20,000 to \$40,000.
- **Reenlistment bonus** – Increases maximum active duty from \$60,000 to \$90,000.
- **New recruiting incentive programs** – Authorizes Army to develop and implement programs following 45 days notice to Congress.

- **Recruit referral bonus** – Authorizes Army (active duty, reserve, and National Guard) to pay \$1,000 to service members who refer recruit candidates for enlistment and those candidates complete technical training.
- **Enlistment age** – Increases the maximum from 35 years of age to 42.
- **Service transfer bonus** – Authorizes a new maximum bonus of \$2,500 for service members who transfer to other services requiring their skills and experience.
- **Thrift Savings Plan (TSP)** – Authorizes service secretaries to enter agreement with new recruits to pay matching contributions to the TSP and directs the Army to conduct a pilot program on the attractiveness of matching TSP contributions to new recruits.
- **Weight allowances for shipping household goods** – Increases allowances for noncommissioned officers in grades E-7 and above.

### *Reserve Compensation and Benefits.*

- **Income Replacement** – Authorizes the Secretary of Defense to pay involuntarily mobilized reserve members on a monthly basis the amount necessary to replace the income differential between their military compensation and the average monthly income received by the member during the twelve months preceding mobilization. Reserve members would be eligible for the income replacement payment for any full month following the date that the member completes 18 continuous months of service on active duty or 24 months on active duty during the previous 60 months, or for any month during a mobilization that occurs within 6 months of the member's last active duty tour. Payments would be limited to a maximum of \$3,000 each month.
- **Basic allowance for housing (BAH)** – Eliminates an inequity in BAH payments for reservists mobilized for less than 140 days by authorizing reservists to receive the same BAH as active duty members when mobilized for periods greater than 30 days.
- **Critical skill retention bonus** – Authorizes reservists to be paid under the active duty program up to a maximum of \$100,000 over the course of a career.
- **Enlistment and affiliation bonus** – Increases the maximum amount from \$15,000 to \$20,000.
- **Reenlistment bonus** – Extends the period during which bonuses may be paid from 16 years of service to 20 years of service with enlistments continuing until 24 years of service.
- **Prior service enlistment bonus** – Authorizes bonuses to be paid notwithstanding that members have not completed their minimum service obligation and have received a previous bonus.
- **Officer affiliation bonus** – Increases the maximum bonus amount from \$6,000 to \$10,000 and eliminates the requirement that officers not previously have served in the Selected Reserve.
- **High priority unit special pay** – Increases the special pay from \$10 to \$50 for each regular period of instruction (\$200 for a duty weekend).
- **Reserve chaplain loan repayment program** – authorizes a new loan repayment program to repay chaplain educational loans up to a maximum of \$20,000 for each three year period of service commitment.

### *Survivor Benefits.*

- **Death gratuity** – Extends an increase to \$100,000 to all military deaths not just combat-related deaths as contained in the Tsunami Emergency Supplemental, 2005. Makes payment of the \$100,000 amount retroactive to include all military deaths that occurred on or after October 7, 2001. Makes additional retroactive death gratuity payments of \$150,000 to survivors of all military deaths, not just combat-related deaths, to compensate for the increase in Servicemembers' Group Life Insurance coverage from \$250,000 to \$400,000 that became effective for all military members on May 11, 2005.

- **Survivors in Family Housing** – Extends the period that survivors of members who die on active duty may remain in family housing or received basic allowance for housing from 180 days to 365 days.
- **Survivors home of selection move** – Extends the period of time allowed for surviving family members of members who die on active duty to select a permanent residence from one year to three years.

#### ***Wounded Member Benefits.***

- **Special pay during medical rehabilitation** – Authorizes the secretary concerned to pay \$430 per month to a service member with an injury or illness sustained in a combat operation or zone designated by the Secretary of Defense. The pay would terminate at the end of the first month during which the member is paid a benefit under the traumatic injury rider of the Servicemembers' Group Life Insurance (SGLI) or is no longer hospitalized in a military treatment facility or in a facility under the auspices of the military health care system.
- **Payment for meals while receiving medical care** – Extends the authority for members to not pay for meals received at military treatment facilities while undergoing medical care, including outpatient care, for an injury, illness, or disease incurred while serving in support of OIF/OEF, or other combat operation designated by the Secretary of Defense.
- **Family travel to visit wounded/injured members** – Expands the authority for payment of travel and transportation allowances for family members to visit service members hospitalized in the United States to include members who are not considered seriously ill or injured, but who have incurred injuries in a combat operation or combat zone designated by the Secretary of Defense.

#### ***Retirees.***

- **Concurrent receipt** – Curtails the 10-year phased implementation of full concurrent receipt of veterans disability compensation and military retired pay for military retirees receiving veterans disability compensation at the rate payable for 100 percent disability by reason of a determination of individual unemployability and would authorize such retirees to receive full concurrent receipt of veterans disability compensation and military retired pay on October 1, 2009, four years and three months earlier than scheduled.

#### ***Morale, Welfare, and Recreation.***

- **Commissary contracting competitions** – Establishes a moratorium on studies to compare the cost effectiveness of commissary operations employing federal civilian employees and such operations employing private sector employees through December 31, 2008. Provides the Defense Commissary Agency the opportunity to reengineer their workforce to increase effectiveness and efficiency prior to competing with private sector entities.
- **Second destination transportation to exchange stores overseas** – Mandates that appropriated funds be used to pay for all expenses to ship goods for sale to service members and their families by exchanges at overseas locations.

**House Armed Services Committee – Communications Office  
Duncan Hunter, Chairman**